

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2  
3 In the Matter of )  
4 )  
5 MUR 6092 ) CASE CLOSURE UNDER THE  
6 RELIGIOUS SOCIETY OF FRIENDS: ) ENFORCEMENT PRIORITY SYSTEM  
7 QUAKERS )  
8 OBAMA FOR AMERICA AND )  
9 MARTIN H. NESBIT, AS TREASURER )

10  
11 **GENERAL COUNSEL'S REPORT**

12 Under the Enforcement Priority System, matters that are low-rated (

13 ) are forwarded to

14 the Commission with a recommendation for dismissal, or in certain cases where the complaint  
15 appears to be speculative in nature a no reason to believe finding is recommended.

16 The complainant, David Hood Jr., asserts that the Religious Society of Friends: Quakers of  
17 Purchase, New York ("RSF"), may have violated federal law by engaging in "partisan politics" in  
18 connection with a fundraiser for then-presidential candidate Barack Obama held in its meeting  
19 house. Specifically, the complainant asserts that RSF agreed to rent the meeting house to Joyce  
20 Schroeder, a board member of RSF who was also organizing the October 3, 2008 fundraiser. In  
21 addition, according to the complainant, RSF agreed to make its meeting house available to the  
22 presidential campaign of Senator John McCain, if the latter wished to rent it for a fundraiser.<sup>1</sup> The  
23 complainant surmises that RSF's actions may have constituted involvement in partisan politics  
24 which, he states, is prohibited by law.

25 In response, Obama for American and Martin H. Nesbit, in his official capacity as treasurer  
26 ("the Committee"), takes the position that the complaint does not allege any violations of the  
27 Federal Election Campaign Act of 1971, as amended ("the Act") by the Committee, and suggests  
28 that the complainant may be referring to section 501(c)(3) of the Internal Revenue Code ("IRC"),

<sup>1</sup> A copy of what appears to be a letter from RSF to the McCain campaign is attached to the complaint, in addition to what appears to be a copy of the draft RSF 2008-2009 budget, with the handwritten notation "includes fundraising for Obama" next to the line item for "Special Fundraising/Special Events."

1 which prohibits organizations exempt from taxation under that section, like RSF, from directly or  
2 indirectly participating in campaigns for elective office. The Committee's response includes a  
3 declaration, executed under penalty of perjury, by Michael Dykes, Finance Chief of Staff for the  
4 Committee, which states that the Committee did not hold an event on October 3, 2008 in Purchase,  
5 New York and that, to his knowledge, no Committee employee or consultant is on the board of an  
6 RSF chapter in New York.

7 In its response, RSF also maintains that the complaint does not allege a violation of the Act.  
8 As for the complainant's reference to RSF's alleged participation in "partisan politics," RSF states  
9 that the complainant is merely speculating as to whether it engaged in prohibited political activity in  
10 violation of the IRC, without providing facts or pertinent allegations. RSF includes with its  
11 response declarations, executed under penalty of perjury, by Peter Close, President of, and counsel  
12 for, RSF, and by Joyce Schroeder, the organizer of the October 3, 2008 Obama fundraiser. In the  
13 former, Mr. Close describes the RSF business meeting at which the decision was made to rent the  
14 meeting house to Ms. Schroeder for \$100, and to notify the McCain campaign that the meeting  
15 house would be available to it on similar terms. Mr. Close affirms that RSF did not spend any  
16 funds, advertise, or provide services in connection with the event, and that RSF does not make  
17 contributions in support of political candidates or parties. Finally, Mr. Close declares that the  
18 "Special Fundraising/Special Events" line item alluded to above refers to RSF-sponsored  
19 fundraising events such as the annual "Harvest Dinner," and does not contain funds for the  
20 Committee, and that the notation "includes fundraising for Obama" is apparently the complainant's  
21 own handwritten comment. In her declaration, Ms. Schroeder states that RSF agreed to rent the  
22 meeting house to her for \$100 for a three-hour fundraiser for the Obama campaign, with the  
23 stipulation that the facility be made available to the McCain campaign on similar terms.

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Ms. Schroeder states that she, not RSF, provided food for the fundraiser, collected donations and forwarded them to the "Obama Campaign."

Based on the speculative nature of the complaint and the declarations and statements made in the responses, we recommend that the Commission find that there is no reason to believe that RSF or the Committee violated the Act.


**RECOMMENDATIONS**

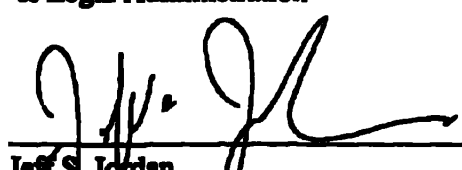
1. Find no reason to believe that Religious Society of Friends: Quakers of Purchase, New York violated the Federal Election Campaign Act of 1971, as amended.
2. Find no reason to believe that Obama for America and Martin H. Nesbit, in his official capacity as treasurer, violated the Federal Election Campaign Act of 1971, as amended.
3. Close the file and send the appropriate letters.

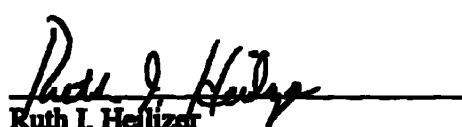
Thomasenia P. Duncan  
General Counsel

9/9/09  
Date

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